

C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

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AGENDA

The next meeting of the Legislative Committee
will be as follows.

PLEASE NOTE NEW TIME AND LOCATION FOR THIS MEETING!!

Date: Thursday, June 9, 2005 – 6:00 p.m. to
7:00 p.m. (sandwiches will be served)
Place: San Mateo County Transit District Office¹
1250 San Carlos Avenue
**4th Floor Veranda Room (signs will direct you to this
new location)**
San Carlos, California

PLEASE CALL WALTER MARTONE (599-1465) IF YOU ARE UNABLE TO ATTEND.

- | | | | |
|----|--|---|------------------------|
| 1. | PUBLIC COMMENT ON ITEMS NOT ON
THE AGENDA | Presentations
are limited to 3
minutes. | 6:00 p.m.
(5 mins.) |
|----|--|---|------------------------|

REGULAR AGENDA

- | | | | | |
|----|--|---|------------|------------------------|
| 2. | Minutes of the meeting of
May 12, 2005 | Action
(Martone) | Pages 1-4 | 6:05 p.m.
(5 mins) |
| 3. | Update from C/CAG's Lobbyist in
Sacramento (via conference call).

A position may be taken on any legislation,
including legislation not previously
identified. | Potential Action
(Wes Lujan &
Chuck Cole) | Pages 5-14 | 6:10 p.m.
(30 mins) |

¹From Route 101 take the Holly Street (west) exit. Two blocks past El Camino Real go left on Walnut. The entrance to the parking lot is at the end of the block on the left, immediately before the ramp that goes under the building. Enter the parking lot by driving between the buildings and making a left into the elevated lot. Follow the signs up to the levels for public parking.

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|----|---|-----------------------------|------------|------------------------|
| 4. | Consideration of positions on various bills:
SB 987 – To allow a local county
transportation authority to use its
sales tax funds in another county. | Action
(Martone) | Page 15-23 | 6:40 p.m.
(15 mins) |
| 5. | Establish date and time for next meeting
(July 14, 2005 – note that the regular
C/CAG meeting on that date has been
canceled). | Action
(Panza) | | 6:55 p.m.
(1 mins) |
| 6. | Other Items/Comments from Guests. | Potential Action
(Panza) | | 6:56 p.m.
(4 mins) |
| 7. | Adjournment. | Action
(Panza) | | 7:00 p.m. |

NOTE: All items appearing on the agenda are subject to action by the Committee. Actions recommended by staff are subject to change by the Committee.

Other enclosures/Correspondence

None

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MINUTES
MEETING OF MAY 12, 2005**

At 6:08 p.m. Chairman Lee Panza called the meeting to order in the Fourth Floor Dining Room at the San Mateo Transit District Office.

Members Attending: Chairman Lee Panza, Deborah Gordon, Marc Hershman, Sue Lempert, Irene O'Connell, Joe Silva, Jim Vreeland, and Deborah Wilder.

Staff/ Guests Attending: Ross Nakasone (County Manager's Office), David Burruto (Speaker Pro Tem Leland Yee's Office), Richard Napier (C/CAG Executive Director), Walter Martone and Sandy Wong (C/CAG Staff), Rosalie O'Mahony (C/CAG Member), Ed Stewart (SamTrans), and Duane Bay.

1. Public comment on items not on the agenda.

- None.

2. Minutes of the Meeting of April 14, 2004.

Motion: To approve the minutes of April 14, 2005 as presented. Lempert/Wilder, unanimous.

3. Update from C/CAG's Lobbyist in Sacramento (via conference call).

Wes Lujan reported:

- ACA 13 – a bill to exempt stormwater pollution and flood prevention programs from the supermajority voting requirements under Proposition 213.
 - There have been numerous meetings to try and sure up support for this Constitutional Amendment. The current strategy to ensure that the bill meets the needs of local jurisdictions and C/CAG is to get the stormwater pollution prevention program to be included as part of the definition of "water" for the purposes of Proposition 213.
 - The business community has raised some concerns about the bill because they feel that it may create a wedge between them and the Howard Jarvis and Cal Tax Advocacy Groups. They stated a preference to make it a 2-year bill to allow more time to negotiate out the details. Wes feels that this may be a stalling tactic so that more opposition to the bill could be generated.
 - Although the Governor's Office has verbally stated its support for the bill, nothing to date has been put in writing. Wes will continue to pressure for a firm commitment from the Administration as represented by the Department of Water Resources, that this bill is actually being sponsored by the Administration.

- The business community is also concerned about another flood control bill by Assemblyman Laird (AB 1665) that would put pressure on the State General Fund to generate revenues to maintain and improve flood control levees and other flood control facilities in the Central Valley and may create an assessment district to generate some of these revenues.
- It is very important that business support for this bill be generated. Wes will be contacting the California Home Builders Association to try and get its support. He suggested that C/CAG try to get local business associations and trade associations to also support the bill.
- Diversion of Proposition 42 transportation funds –
 - The Governor's announcement that he intends to restore funding to Proposition 42 transportation programs was very well received. There is concern however that the anticipated revenue surplus that would fund these programs is overestimated. This is due to the fact that many businesses paid taxes up front and may now be due a refund.
 - Senator Joe Dunn has gone on record as supporting the full funding for Proposition 42 programs.
 - Other legislators appear to be waffling and saying that there may be other priorities for the State surplus revenues.
- SB 521 Transit Villages – This bill would allow the use of tax increment financing by expanding the definition of "blight" for development projects within transit villages designated by local jurisdictions. It would also require "use by right" for projects within such villages. The Legislative Committee expressed concern that this bill could result in the preemption of local land use authority. It was decided that more information on the bill should be sought and no action should be taken until after the review of the bill by MTC.
- SB 1024 Transportation Bond – This bill would authorize \$7.7 billion in new bonds for transportation projects throughout the State, including the completion of the Bay Bridge. Most Republicans and the Governor's Office are saying that the bill is Dead on Arrival. However the bill includes funding for important projects throughout the State including the districts of a number of Republican legislators. The bill only needs two Republican votes to get out of the Senate. Wes feels that it still has a fighting chance.

4. Consideration of positions on various bills:

AB 1358: This bill requires that all schools, including Charter Schools, that are relocating within two miles of an airport runway, be reviewed by Caltrans for compliance with the Plan locally adopted by the Airport Land Use Commission

Motion: To recommend that the C/CAG Board take a "support" position on AB 1358. O'Connell/Hershman, unanimous.

SB 1059: This bill would allow the State Energy Resources Conservation and Development Commission to preempt local land use authority by designating

transmission corridors for the construction of high-voltage electric lines and requiring local jurisdictions to amend their General Plans to include the designated corridors.

Motion: To recommend that the C/CAG Board take an "oppose unless amended" position on SB 1059. The amendment should ensure that the actions of the State Commission are subsidiary to local General Plans. Lempert/O'Mahony, unanimous.

SB 521: This bill would allow the use of tax increment financing by expanding the definition of "blight" for development projects within transit villages designated by local jurisdictions. It would also require "use by right" for projects within such villages. The Legislative Committee expressed concern that this bill could result in the preemption of local land use authority. It was decided that more information on the bill should be sought and no action should be taken until after the review of the bill by MTC.

SB 1024 and SB 172: These two bills together address the funding shortfall for the construction of the new eastern span of the Bay Bridge. SB 1024 is a bond that not only funds the Bridge but also a number of transportation projects throughout the State. SB 172 establishes tight monitoring and management controls over the Bridge construction project and authorizes the MTC to increase the Bay Area Bridge tolls by one dollar to support the Bay Bridge project. During discussion it was pointed out that Bay Area bridge users should not be saddled with an additional toll unless it was part of an overall funding package to complete the Bay Bridge. Therefore the implementation of SB 172 should be linked to the passage of SB 1024.

Motion: To recommend that the C/CAG Board take a "support" position on SB 1024 and SB 172 and request that SB 172 only be implemented if the bonds under SB 1024 are also approved. O'Mahony/Gordon, unanimous.

AB 867: This bill would establish all mail election demonstration projects in seven counties including San Mateo County. After discussion, the Committee members decided that this matter should be discussed with their individual City Councils before a position is recommended to C/CAG.

5. Establish date and time for next meeting (June 9, 2005).

The next meeting was set for Thursday, June 9, 2005 at 5:30 p.m. in the Fourth Floor Veranda Room at the San Mateo County Transit District Office.

6. Other Items/Comments from Guests.

- None.

7. Adjournment.

The meeting was adjourned at 6:54 p.m.

ACTION REPORT WITH SUMMARY BY SUBJECT**C/CAG Priority 1 Bills**

Bills to take a position on

Airport Land Use**AB 1358 (Mullin) Acquisition of proposed schoolsites: notice.**

A - 05/04/2005

Status:

05/26/2005 - SEN RLS. In Senate. Read first time. To Com. on RLS. for assignment.

Calendar:**Summary**

Existing law requires the governing board of each school district, before acquiring title to property for a new schoolsite, to provide the State Department of Education written notice of the proposed acquisition, along with any information required by the department, if the proposed site is within two miles, measured by air line, of that point on an airport runway or potential airport runway included in an airport master plan that is nearest to the site. Existing law requires the State Department of Education, upon receipt of the notice, to notify the Department of Transportation in writing of the proposed acquisition. Existing law requires the Department of Transportation to investigate the proposed site and submit a report of its findings and recommendations concerning acquisition of the site to the State Department of Education. Existing law requires the State Department of Education to forward the report to the governing board of the school district. Existing law provides that state or local funds may not be apportioned or expended for acquisition of a site if the Department of Transportation's recommendation does not favor acquisition of the site. This bill would require a school district to provide the Department of Transportation with that notice before leasing property for a new schoolsite. This bill also would make these provisions applicable to charter schools.

C/CAG

Support

1

Airport Land
Use**Budget****AB 518 (Cancianilla) State budget: Department of Finance Reports.**

A - 05/04/2005

Status:

05/27/2005 - SEN RLS. In Senate. Read first time. To Com. on RLS. for assignment.

Calendar:**Summary**

The California Constitution requires the Governor to submit annually to the Legislature a budget itemizing state expenditures and estimating state revenues and requires the Legislature to pass the Budget Bill by midnight on June 15. In addition, existing law requires the Director of Finance to provide to the Legislature on a specified schedule certain materials relating to the Governor's Budget, including, by May 14 of each year, an estimate of General Fund revenues for the current fiscal year and the ensuing fiscal year, along with proposed adjustments to the budget, as specified. This bill would require the Director of Finance to submit, at the time of submission of the Governor's Budget for each fiscal year, at the time prior to May 14 when the director provides the information specified above, and on a date within 30 days of the enactment of the Budget Act, estimates for annual General Fund revenues and expenditures, and personnel years supported by those General Fund expenditures, for 5 fiscal years, as specified. It would further require one of these reports, if it identified a deficit in any fiscal year covered in its estimates, to include proposals for eliminating that deficit.

C/CAG

1

Budget

ACA 1 (Calderon) Two-Year Budget.

I - 12/06/2004

Status:

04/14/2005 - ASM 2 YEAR Referred to Coms. on BUDGET and APPR.

Calendar:**Summary**

The California Constitution requires that a budget be submitted by the Governor, and that a Budget Bill be passed by the Legislature, for each fiscal year. This measure would express the intent of the Legislature to enact the necessary statutory changes, and to propose to the people the necessary constitutional changes, to enact a budget for a two-year fiscal period.

ACTION REPORT WITH SUMMARY BY SUBJECT**C/CAG Priority 1 Bills**

Bills to take a position on

C/CAG

1

Budget

Housing**AB 1203 (Mullin) Housing: regional job growth.**

I - 02/22/2005

Status:

02/24/2005 - ASM 2 YEAR From printer. May be heard in committee March 26.

Calendar:**Summary**

Existing law requires a city or county to include a housing element in its general plan, and, for that purpose, prescribes criteria for determining the city or county share of the regional housing needs, including a requirement that the distribution of regional housing needs take into account, among other things, market demand for housing and employment opportunities. This bill would declare the Legislature's intent to authorize local governments to create Greyfield housing and investment zones in coordination with a regional process, in specific areas where additional job growth and high density housing is desired to match transportation, air quality, and other regional priorities. The created zones shall have tax increment authority, access to transportation funds, future infrastructure improvement funds, and affordable housing funds.

C/CAG

Watch

1

Housing

Land Use Authority**SB 44 (Kehoe) General plans: air quality element.**

A - 05/17/2005

Status:

05/26/2005 - ASM DESK In Assembly. Read first time. Held at Desk.

Calendar:**Summary**

Existing law requires the legislative body of each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city, and of any land outside its boundaries that bears relation to its planning. The law requires the plan to include a specified land use element that designates the proposed general distribution and general location and extent of the uses of the land for housing, business, industry, open space, and other categories of public and private uses of land. Existing law specifically requires the legislative body of each city and county within the jurisdictional boundaries of the San Joaquin Valley Air Pollution Control District to amend appropriate elements of its general plan to include specified information to improve air quality, including a report describing local air quality conditions. This bill would make a legislative finding that air pollution is a serious problem in this state. The bill would require the legislative body of each city and county located in specified areas to either adopt an air quality element as part of its general plan, as specified, or amend the appropriate elements of its general plan to include data and analysis, comprehensive goals, policies, and feasible implementation strategies intended to contribute to and complement other local, regional, state, and federal strategies to improve air quality no later than one year from the date specified for the next revision of its housing element that occurs after January 1, 2007. The bill would require all other cities and counties to comply with these provisions, as specified, during their next general plan update but no later than the date specified for the 5th revision of their housing element that occurs after January 1, 2007. This bill contains other related provisions and other existing laws.

C/CAG

Watch

1

Land Use
Authority**SB 321 (Morrow) Development: fees.**

A - 04/14/2005

Status:

04/18/2005 - SEN 2 YEAR Set, second hearing. Hearing canceled at the request of author.

Calendar:

ACTION REPORT WITH SUMMARY BY SUBJECT**C/CAG Priority 1 Bills**

Bills to take a position on

Summary

Existing law authorizes a local agency to charge a variety of fees in connection with the approval of a development project, as defined. Existing law provides that in specified actions imposing a fee as a condition of approval of a development project by a local agency, the local agency shall determine how there is a reasonable relationship between, among other things, the fee's use and the type of development project on which the fee is imposed or the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed. This bill would provide that these requirements apply in any action establishing, increasing, or imposing a fee by a local agency as a condition of approval of a development project and would place the burden on the local agency of producing evidence to establish that the fee does not exceed the cost of the public facility, service, or regulatory activity, except as specified.

C/CAG

1

Land Use
Authority**SB 1059 (Escutia) Electric transmission corridors.**

A - 05/27/2005

Status:

05/27/2005 - SEN THIRD READING From committee: Do pass as amended. (Ayes 13, Noes 0.) Read second time. Amended. To third reading.

Calendar:

05/31/05 96 SEN THIRD READING FILE

Summary:

Existing law requires the State Energy Resources Conservation and Development Commission to adopt a strategic plan for the state's electric transmission grid using existing resources. Existing law requires that the plan identify and recommend actions required to implement investments needed to ensure reliability, relieve congestion, and to meet future growth in load and generation, including, but not limited to, renewable resources, energy efficiency, and other demand reduction measures. This bill would authorize the commission to designate a transmission corridor zone on its own motion or by application of a person who plans to construct a high-voltage electric transmission line within the state. The bill would provide that the designation of a transmission corridor shall serve to identify a feasible corridor in which can be built a future transmission line that is consistent with the state's needs and objectives as set forth in the strategic plan adopted by the commission. The bill would prescribe procedures for the designation of a transmission corridor, including publication of the request for designation and request for comments, coordination with federal agencies and California Native American governments, informational hearings, and requirements for a proposed decision. This bill contains other related provisions and other existing laws.

C/CAG

Oppose unless 1
amendedLand Use
Authority**Meetings of Public Bodies****AB 194 (Dymally) Brown Act violations: remedy.**

A - 04/07/2005

Status:

05/04/2005 - ASM 2 YEAR In committee: Set, first hearing. Hearing canceled at the request of author.

Calendar:**Summary:**

ACTION REPORT WITH SUMMARY BY SUBJECT**C/CAG Priority 1 Bills****Bills to take a position on**

The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency be open and public and all persons be permitted to attend. The act authorizes the district attorney or any interested person to commence an action by mandamus or injunction for a judicial determination that an action of a legislative body of a local agency taken in violation of the act is null and void but requires that the body have an opportunity to cure or correct the alleged violation prior to commencement of the legal action. The act provides that an action of the body alleged to violate specified provisions of the act shall not be determined to be null and void if the action was taken in substantial compliance with those provisions and in other specified circumstances. The act requires the district attorney or interested person to make a written demand of the legislative body to cure or correct the alleged violation within 90 days from the date the action was taken unless the action was taken in open session and in violation of a specified provision of the act. This bill would also permit the district attorney or any interested person to commence an action by declaratory relief and would reduce the time period that the district attorney or interested person has to make a written demand of the legislative body to cure or correct an alleged violation prior to commencement of a legal action to within 60 days from the date the action was taken, except as specified. Under this bill the burden of proof would be by clear and convincing evidence on the legislative body that its action taken was not in violation of specified provisions of the act.

C/CAG

1

*Meetings of
Public Bodies***Other Local Govt Interest****AB 867 (Liu) Vote by mail.**

A - 05/04/2005

Status:

05/25/2005 - ASM APPR. SUSPENSE FILE In committee: Set, second hearing. Held under submission.

Calendar:**Summary**

Existing law authorizes a local, special, or consolidated election to be conducted wholly by mail if the governing body of the local agency authorizes the use of all mailed ballots for the election, the election is held on an established mailed ballot election date, and the election meets certain other specified requirements. This bill would, until January 1, 2011, authorize 7 specified counties, to participate in a vote -by-mail pilot project. The bill would require the 7 selected counties to provide the voters in that county, for any local, special, primary, or general election to be held in the county for the duration of this pilot program, with ballots that may be returned by mail. This bill contains other related provisions.

C/CAG

1

*Other Local
Govt Interest***Sales Tax****AB 451 (Yee) Local sales tax: jet fuel: place of sale.**

A - 03/29/2005

Status:

05/19/2005 - SEN REV. & TAX Referred to Com. on REV. & TAX.

Calendar:**Summary**

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose sales and use taxes pursuant to the adoption of local ordinances. That law provides, for purposes of applying a local sales tax imposed under that law to sales of jet fuel, that the point of sale of that jet fuel is the point of delivery of the jet fuel to the aircraft if, both the principal negotiations for that sale are conducted in this state, and the retailer of that jet fuel has more than one place of business in this state. This bill would provide that the point of sale of jet fuel is the point of delivery of that jet fuel to the aircraft.

C/CAG

1

Sales Tax

ACTION REPORT WITH SUMMARY BY SUBJECT**C/CAG Priority 1 Bills**

Bills to take a position on

AB 1282 (Mullin) Local sales and use tax: jet fuel: place of sale.

A - 04/19/2005

Status:

04/25/2005 - ASM REV. & TAX In committee: Set, second hearing. Hearing canceled at the request of author.

Calendar:**Summary:**

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose sales and use taxes pursuant to the adoption of local ordinances. That law provides, for purposes of applying a local sales tax imposed under the Bradley-Burns Uniform Local Sales and Use Tax Law to sales of jet fuel, with respect to a retailer that has more than one place of business in the state, that the point of sale of that fuel is the point of delivery of that fuel to the aircraft, if the principal negotiations for that sale are conducted in this state. This bill would provide that the point of sale of jet fuel is the point of delivery of that jet fuel to the aircraft. This bill would delete those provisions that provide, for purposes of determining the point of sale of jet fuel with respect to sales by a retailer with more than one place of business in this state, that the point of sale of that fuel is the point of delivery of that fuel only if the principal negotiations for that sale are conducted in this state. This bill would also provide, with respect to nonretail purchases of jet fuel, that the first functional use of the jet fuel shall be deemed to occur at the point of delivery of the jet fuel to the aircraft.

C/CAG

1

Sales Tax

Smart Growth**SB 521 (Torlakson) Local planning: transit village plans.**

A - 05/27/2005

Status:

05/27/2005 - SEN THIRD READING From committee: Do pass as amended. (Ayes 8. Noes 5.) Read second time. Amended. To third reading.

Calendar:

05/31/05 101 SEN THIRD READING FILE

Summary:

The Transit Village Development Planning Act of 1994 authorizes a city or county to prepare a transit village plan for a transit village development district that includes all land within not more than 1/4 mile of the exterior boundary of the parcel on which is located a transit station, as defined, and addresses specified characteristics, including a neighborhood centered around a transit station and a mix of housing types, including apartments, that is planned and designed, as specified, and any 5 of demonstrable public benefits that reduce traffic congestion. This bill would require a transit village plan to include a transit station and a parcel, at least 1/2 of which is within not more than 1/4 mile of the exterior boundary of the parcel on which the transit station is located or parcels located in an area equal to the area encompassed by a 1/4 mile radius from the exterior boundary of the parcel on which the station is located. This bill contains other related provisions and other existing laws.

C/CAG

1

Smart Growth

Solid Waste & Recycling**AB 399 (Montanez) Recycling: multifamily dwellings.**

A - 05/11/2005

Status:

05/26/2005 - SEN RLS. In Senate. Read first time. To Com. on RLS for assignment.

Calendar:**Summary:**

ACTION REPORT WITH SUMMARY BY SUBJECT**C/CAG Priority 1 Bills****Bills to take a position on**

Existing law, the California Integrated Waste Management Act of 1989, establishes an integrated waste management program administered by the California Integrated Waste Management Board. The act requires a local jurisdiction to develop a source reduction and recycling element of an integrated waste management plan containing specified components. On and after January 1, 2000, the element is required to divert 50% of the solid waste subject to the element, except as specified, through source reduction, recycling, and composting activities. The act requires a local jurisdiction to submit to the board an annual report on its progress in reducing solid waste. The act establishes factors, as enumerated, that the board must consider when determining whether or not to impose penalties on a local jurisdiction for failing to implement its source reduction and recycling elements. This bill would require the board, by March 1, 2007, to make available one or more model ordinances that may be adopted by a local agency to facilitate solid waste reduction, reuse, and recycling programs at multifamily dwellings, as defined, and to post specified information on the board's Internet Web site. The bill would require a local agency, when issuing a building permit to an owner, as defined, of a multifamily dwelling, after May 1, 2007, to provide specified information to the owner on programs that can be implemented to reduce, reuse, and recycle solid waste materials generated at the multifamily dwelling, thereby imposing a state-mandated local program by imposing a new duty on a local agency. The bill would authorize a local agency to charge and collect a reasonable fee from the owner for providing the specified information. This bill contains other related provisions and other existing laws.

C/CAG

1

Solid Waste &
Recycling**Stormwater (NPDES)****ACA 13 (Harman) Local government; assessments and fees or charges.**

A - 04/21/2005

Status:

05/04/2005 - ASM 2 YEAR in committee: Set, first hearing. Hearing canceled at the request of author.

Calendar:**Summary:**

(1) The California Constitution conditions the imposition or increase of an assessment by a city, county, or special district for flood control purposes upon compliance with requirements for written notice to property owners, a public hearing, and an opportunity for majority protest. The California Constitution exempts the imposition of a flood control assessment existing on November 6, 1996, from these requirements. This measure would instead exempt from these requirements an assessment for the purposes of financing the capital costs or maintenance and operation expenses of flood control, whether the assessment existed on November 6, 1996, or is imposed after that date. This bill contains other related provisions and other existing laws.

C/CAG

Support with 1
amendmentsStormwater
(NPDES)**Transportation - Roads****AB 1329 (Wolk) Design-build contracting: cities.**

A - 05/26/2005

Status:

05/26/2005 - ASM THIRD READING Read third time, amended, and returned to third reading.

Calendar:

05/31/05 120 ASM THIRD READING FILE

Summary:

Existing law requires public entities to comply with certain procedures in soliciting and evaluating bids and awarding contracts for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement. Existing law, until January 1, 2006, permits certain counties, with the approval of the board of supervisors, to enter into design-build contracts, as defined, in accordance with specified provisions. This bill would, until January 1, 2006, permit cities in the Counties of Solano and Yolo, with the approval of the city council, to enter into specified design-build contracts, as defined, in accordance with specified provisions.

C/CAG

Support 1

Transportation-
Roads

ACTION REPORT WITH SUMMARY BY SUBJECT**C/CAG Priority 1 Bills**

Bills to take a position on

AB 1714 (Plescia) Toll Bridge Seismic Retrofit Program.

A - 05/03/2005

Status:

05/25/2005 - ASM APPR. SUSPENSE FILE in committee: Set, second hearing. Held under submission.

Calendar:**Summary**

Existing law estimates the cost to seismically retrofit the state -owned toll bridges and to replace the east span of the San Francisco -Oakland Bay Bridge at \$ 4,837,000,000, including \$ 2,600,000,000 for the east span replacement. Existing law identifies funding to be made available for this purpose from various funding sources, including a \$1 per vehicle toll surcharge on Bay Area state -owned toll bridges and Proposition 192 seismic repair bond funds, among other sources. This bill would state the intent of the Legislature to develop a funding solution for the Toll Bridge Seismic Retrofit Program.

C/CAG

1

Transportation-
Roads**SB 172 (Torlakson) Bay area state-owned toll bridges: financing.**

A - 05/27/2005

Status:

05/27/2005 - SEN THIRD READING From committee: Do pass as amended. (Ayes 8. Noes 5.) Read second time. Amended. To third reading.

Calendar:

05/31/05 109 SEN THIRD READING FILE

Summary

Existing law specifies the powers and duties of the Department of Transportation, the Metropolitan Transportation Commission, and the Bay Area Toll Authority with respect to the collection and expenditure of toll revenue from the state-owned toll bridges within the geographic jurisdiction of the commission. Under existing law, this toll revenue, other than revenue from the \$ 1 seismic surcharge, is deposited into the Bay Area Toll Account and controlled by the authority. Existing law requires the department and the authority to enter into a cooperative agreement that makes the department responsible for operating the bridges and for constructing improvements to the bridges financed by toll revenues. Existing law estimates the cost to seismically retrofit the state -owned bay area toll bridges and identifies funding to be made available for this purpose from various sources, including imposition of a \$1 seismic retrofit surcharge. Under existing law, this surcharge revenue is deposited into the Toll Bridge Seismic Retrofit Account for expenditure by the department until completion of the seismic projects and payment of the bonds issued to finance those projects. This bill would state the Legislature's findings that the amount identified for the seismic retrofit of the state -owned toll bridges is insufficient and would state its intent to identify additional funding sources for those projects. The bill would require the seismic retrofit surcharge to be paid to the authority and deposited into the Bay Area Toll Account, and would require the department to transfer to the authority, for deposit into that account, all revenue from the surcharge. The bill would continuously appropriate all seismic surcharge revenues in the account to the authority for purposes specified by law. The bill would authorize on or after January 1, 2009, the authority to increase the seismic retrofit surcharge by \$ 1. This bill contains other related provisions and other existing laws.

C/CAG

Support

1

Transportation- MTC
Roads Staff-support**SB 371 (Torlakson) Public contracts: design-build contracting: transportation entities.**

A - 04/26/2005

Status:

05/26/2005 - SEN APPR. Set, first hearing. Held in committee and under submission.

Calendar:**Summary**

ACTION REPORT WITH SUMMARY BY SUBJECT**C/CAG Priority 1 Bills****Bills to take a position on**

Existing law sets forth requirements for the solicitation and evaluation of bids and the awarding of contracts by public entities for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement. Existing law also authorizes specified state agencies, cities, and counties to implement alternative procedures for the awarding of contracts on a design-build basis. Existing law, until January 1, 2007, authorizes transit operators to enter into a design-build contract, as defined, according to specified procedures. This bill would authorize, until January 1, 2011, certain state and local transportation entities to use a design-build process for bidding on highway construction projects, as specified. This bill would establish a procedure for submitting bids that includes a requirement that design-build entity bidders provide certain information in a questionnaire submitted to the transportation entity that is verified under oath. Because a verification under oath is made under penalty of perjury, the bill would, by requiring a verification, create a new crime and thereby impose a state-mandated local program. The bill would require these transportation entities to report to the Legislature regarding implementation of the design-build process. This bill would also state the intent of the Legislature that a transportation entity implement a labor compliance program for design-build projects. This bill contains other related provisions and other existing laws.

C/CAG

Support

1

Transportation- MTC-support
Roads**SB 1024 (Perata) Public works and improvements: bond measure.**

A - 05/12/2005

Status:

05/27/2005 - SEN THIRD READING From committee: Do pass. (Ayes 8, Noes 5.) Read second time. To third reading.

Calendar:

05/31/05 186 SEN THIRD READING FILE

Summary:

Existing law sets forth a funding plan for the seismic retrofit or replacement of certain state-owned toll bridges by the Department of Transportation. Existing law, pursuant to Proposition 192 of 1996, provides \$2 billion in voter-approved general obligation bond funds for state highway and toll bridge seismic work. This bill would enact the Safe Facilities, Improved Mobility, and Clean Air Bond Act of 2005 to authorize \$7,888,000,000 in state general obligation bonds for specified purposes, including the seismic retrofit of toll bridges, levee improvements, restoration of Proposition 42 transportation funds, port infrastructure and security projects, trade corridors of significance, emissions reduction projects, environmental enhancement projects, and transportation needs in cities, counties, and cities and counties that meet certain requirements relative to provisions of housing needs in their communities, subject to voter approval. This bill contains other related provisions.

C/CAG

Support

1

Transportation- MTC
Roads Staff-support**Transportation-All****ACA 4 (Plescia) Transportation Investment Fund.**

A - 05/09/2005

Status:

05/10/2005 - ASM TRANS. Re-referred to Com. on TRANS.

Calendar:**Summary:**

Article XIX B of the California Constitution requires, commencing with the 2003-04 fiscal year, that sales taxes on motor vehicle fuel that are deposited into the General Fund be transferred to the Transportation Investment Fund for allocation to various transportation purposes. Article XIX B authorizes this transfer to the Transportation Investment Fund to be suspended in whole or in part for a fiscal year during a fiscal emergency pursuant to a proclamation by the Governor and the enactment of a statute by a 2/3 vote in each house of the Legislature if the statute does not contain any unrelated provision. This measure would delete the provision authorizing the Governor and the Legislature to suspend the transfer of revenues from the General Fund to the Transportation Investment Fund for a fiscal year during a fiscal emergency.

C/CAG

Support

1

Transportation
All

ACTION REPORT WITH SUMMARY BY SUBJECT**C/CAG Priority 1 Bills**

Bills to take a position on

I - 01/24/2005

ACA 9 (Boh) Motor vehicle fuel sales tax revenue.**Status:**

04/21/2005 - ASM 2 YEAR Referred to Coms. on TRANS. and APPR.

Calendar:**Summary**

Existing provisions of the California Constitution require that sales taxes on motor vehicle fuel that are deposited into the General Fund be transferred to the Transportation Investment Fund and used for transportation purposes, but allow the transfer of these revenues to be suspended in whole or in part for a fiscal year under specified circumstances by a statute enacted by a 2/3 vote of the membership of each house of the Legislature. This measure would change the vote requirement to 4/5 of the membership of each house of the Legislature in order to enact a statute suspending in whole or in part the transfer of this particular revenue from the General Fund to the Transportation Investment Fund.

C/CAG

Support

1

Transportation

All

ACA 11 (Oropeza) Transportation funds: loans.

I - 02/16/2005

Status:

04/21/2005 - ASM TRANS. Referred to Com. on TRANS.

Calendar:**Summary**

Article XIX of the California Constitution requires excise taxes on motor vehicle fuel and certain fees imposed on motor vehicles to be used only for specified transportation and vehicle-related purposes, but authorizes these excise tax revenues to be loaned to the General Fund under certain conditions, including a requirement that the funds be repaid within 3 years. Article XIX A of the California Constitution provides that funds in the Public Transportation Account, which are derived from certain sales taxes on motor vehicle fuels, may be loaned to the General Fund or any other state fund or account under certain conditions, including a requirement that the funds be repaid within 3 years. This measure would require interest to be paid on a loan of revenues subject to either Article XIX or XIX A if the loan is not repaid during the same fiscal year in which it was made. The measure would require a loan made pursuant to Article XIX or XIX A to be made pursuant to a statute establishing the terms for repayment and would prohibit the enactment of a statute making a new loan pursuant to Article XIX or XIX A prior to the full repayment of each previous loan under Article XIX or XIX A, respectively. The measure would also prohibit a loan from being authorized by a statute during more than 2 fiscal years within any period of 10 consecutive fiscal years. The measure would also authorize tax revenues subject to Article XIX or XIX A to be loaned to other state funds or accounts in addition to the General Fund. This bill contains other related provisions and other existing laws.

C/CAG

Support

1

Transportation

All

SB 987 (Migden) County transportation authorities.

A - 04/12/2005

Status:

05/19/2005 - ASM TRANS. To Coms. on TRANS. and L. GOV.

Calendar:

06/06/05 1:30 p.m. - Room 4202 ASM TRANSPORTATION

Summary

ACTION REPORT WITH SUMMARY BY SUBJECT**C/CAG Priority 1 Bills**

Bills to take a position on

The Bay Area County Traffic and Transportation Funding Act authorizes each of the 9 counties in the Bay Area to impose a 1/2 or 1% sales tax for transportation purposes, subject to voter approval. Existing law provides for the establishment of a county transportation authority in each county imposing a sales tax under these provisions, requires the development of a county transportation expenditure plan, and specifies the powers and duties of a county board of supervisors and the county transportation authority in this regard. Existing law generally requires the proceeds of the tax to be expended in the county of origin, except that the County of San Mateo may spend a portion of its tax proceeds in another county if so provided in its county transportation expenditure plan. This bill would authorize any of the 9 counties to spend a portion of its tax proceeds in another county if so provided in its county transportation expenditure plan. The bill would also authorize the membership of the county transportation authority to be specified in the tax ordinance, would authorize the authority to be the sponsoring agency for projects included in the expenditure plan, and would change the existing threshold for contracts to be competitively bid to \$75,000.

C/CAG

Staff - support 1

Transportation

All

SCA 7 (Torlakson) Loans of transportation revenues and funds.

I - 02/15/2006

Status:

05/26/2005 - SEN APPR. SUSPENSE FILE Set, first hearing. Held in committee and under submission.

Calendar:

Summary

The California Constitution restricts the expenditure of certain motor vehicle fuel and vehicle -related revenues to specified transportation purposes, but authorizes these revenues to be loaned to the General Fund under certain conditions. The California Constitution further provides that the trust funds in the Public Transportation Account in the State Transportation Fund may be loaned to the General Fund under certain conditions. This measure would require any loan of these motor vehicle fuel and vehicle -related revenues or trust funds that is not repaid within the same fiscal year in which the loan was made, or by a date not more than 30 days after the enactment date of the Budget Bill for the subsequent fiscal year, to be repaid with interest at a specified rate. The measure would provide that a loan of these funds may also be made to other state funds or accounts under the conditions applicable to loans to the General Fund.

C/CAG

1

Transportation

All

Vehicle Abatement**AB 716 (Canciamilla) Vessels: abandonment: abatement.**

A - 05/02/2006

Status:

05/19/2005 - SEN JUD. Referred to Com. on JUD.

Calendar:

Summary

Existing law authorizes the officer who has custody of wrecked vessel property to sell it at public auction and transmit the proceeds of the sale, after deducting salvage, storage, property tax liens, other liens, and other expenses, to the Treasurer for deposit in the General Fund, if, among other things, no claimant of the property appears within 90 days after the wrecked property was saved. This bill, instead, would authorize the wrecked property to be sold at auction if no claimant of the property appears within 45 days after the wrecked property was saved. This bill contains other related provisions and other existing laws.

C/CAG

Staff - walch 1

Vehicle

Abatement

C/CAG AGENDA REPORT

Date: June 9, 2005
To: C/CAG Legislative Committee
From: Richard Napier, C/CAG Executive Director
Subject: CONSIDERATION OF POSITIONS ON VARIOUS BILLS: SB 987 – TO ALLOW A LOCAL COUNTY TRANSPORTATION AUTHORITY TO USE ITS SALES TAX FUNDS IN ANOTHER COUNTY.

A position may be taken on any legislation, including legislation not previously identified.

(For further information contact Walter Martone at 599-1465 or Richard Napier at 599-1420)

RECOMMENDATION

That the C/CAG Legislative Committee consider recommending to the C/CAG Board, a “support” position on SB 987 to authorize county transportation authorities to spend sales tax proceeds in another county.

FISCAL IMPACT

Potential additional funding to support Caltrain.

SOURCE OF FUNDS

San Francisco transportation sales tax revenues.

BACKGROUND/DISCUSSION

SB 987 (Migden): The Bay Area County Traffic and Transportation Funding Act authorizes each of the 9 counties in the Bay Area to impose a 1/2 or 1% sales tax for transportation purposes, subject to voter approval. Existing law provides for the establishment of a county transportation authority in each county imposing a sales tax under these provisions, requires the development of a county transportation expenditure plan, and specifies the powers and duties of a county board of supervisors and the county transportation authority in this regard. Existing law generally requires the proceeds of the tax to be expended in the county of origin, except that the County of San Mateo may spend a portion of its tax proceeds in another county if so provided in its county transportation expenditure plan. This bill would authorize any of the 9 counties to spend a portion of its tax proceeds in another county if so provided in its county transportation expenditure plan. The bill would also authorize the membership of the county transportation authority to be specified in the tax ordinance, would authorize the authority to be the sponsoring

agency for projects included in the expenditure plan, and would change the existing threshold for contracts to be competitively bid to \$75,000.

The primary interest of C/CAG in this bill is that it would authorize the San Francisco County Transportation Authority to use funds from its transportation sales tax program to support the electrification of Caltrain and the implementation of express tracks in the Caltrain corridor.

ATTACHMENTS

- Complete copy of SB 987.
- Senate Rules Committee analysis of SB 987.

SENATE BILL

No. 987

Introduced by Senator Migden

February 22, 2005

An act to amend Sections 131010, 131100, 131103, 131241, ~~131268~~, and 131285 of the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 987, as amended, Migden. County transportation authorities.

The Bay Area County Traffic and Transportation Funding Act authorizes each of the 9 counties in the Bay Area to impose a 1/2 or 1% sales tax for transportation purposes, subject to voter approval. Existing law provides for the establishment of a county transportation authority in each county imposing a sales tax under these provisions, requires the development of a county transportation expenditure plan, and specifies the powers and duties of a county board of supervisors and the county transportation authority in this regard. Existing law generally requires the proceeds of the tax to be expended in the county of origin, except that the County of San Mateo may spend a portion of its tax proceeds in another county if so provided in its county transportation expenditure plan.

This bill would authorize any of the 9 counties to spend a portion of its tax proceeds in another county if so provided in its county transportation expenditure plan. The bill would also authorize the membership of the county transportation authority to be specified in the tax ordinance, would authorize the authority to be the sponsoring agency for projects included in the expenditure plan, and would change the existing ~~specified dollar amounts for compensation of a member of an authority and the threshold for contracts to be competitively bid to unspecified amounts~~ \$75,000.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 131010 of the Public Utilities Code is
2 amended to read:

3 131010. "Sponsoring agency" means a governmental agency,
4 including a county transportation authority, that has
5 transportation responsibilities in the county in which a retail
6 transactions and use tax ordinance has been approved pursuant to
7 this division.

8 SEC. 2. Section 131100 of the Public Utilities Code is
9 amended to read:

10 131100. (a) The Legislature, by the enactment of this chapter
11 intends a county transportation authority or the commission,
12 pursuant to a county transportation expenditure plan adopted
13 pursuant to Section 131055, to use any additional funds provided
14 by this chapter to supplement existing local revenues being used
15 for public transportation purposes listed in the plan. The
16 Legislature further intends that the funds provided pursuant to
17 this chapter shall not replace funds previously provided by
18 property tax revenues for public transportation purposes. The
19 nine-county San Francisco Bay area is further encouraged to
20 maintain its existing commitment of local funds for public
21 transportation purposes.

22 (b) Any tax revenue generated pursuant to this chapter shall be
23 expended in the county of origin, except that tax revenue
24 generated may be expended within and outside the county of
25 origin if so provided in the adopted county transportation
26 expenditure plan. However, the tax revenues may be exchanged
27 for federal or state funds available to another county or local
28 government for transportation purposes if the exchange will
29 benefit the county of origin.

30 (c) (1) In order to receive funds from the Counties of
31 Alameda and Contra Costa and the City and County of San
32 Francisco pursuant to this chapter, the San Francisco Bay Area
33 Rapid Transit District shall agree to match from federal, state, or
34 other funds available to the district, at least as much as it receives

1 from the additional funds provided by this chapter from those
2 counties.

3 (2) The funds the district received pursuant to this chapter, and
4 its matching funds therefor, shall be used only for capital
5 expenditures.

6 SEC. 3. Section 131103 of the Public Utilities Code is
7 amended to read:

8 131103. The county, in the retail transactions and use tax
9 ordinance, shall state the nature of the tax to be imposed and
10 shall specify the purposes for which the revenues derived from
11 the tax will be used, and may state the membership of the county
12 transportation authority.

13 SEC. 4. Section 131241 of the Public Utilities Code is
14 amended to read:

15 131241. (a) The county transportation authority shall consist
16 of the members who are elected officials as specified in the
17 county transportation expenditure plan or in the retail
18 transactions and use tax ordinance, and shall be appointed by
19 each constituent local government within 45 days after the
20 authority is created.

21 (b) At the first meeting of the county transportation authority,
22 one-half of the members, and the odd-numbered member if the
23 membership of the county transportation authority is
24 odd-numbered, shall be selected by lot to serve terms consisting
25 of the remaining months of the current calendar year, if any, plus
26 two years, and the remaining members shall be selected by lot to
27 serve a term consisting of the remaining months of the current
28 calendar year, if any, plus three-years. Thereafter, appointments
29 for all members shall be for two-year terms, beginning on
30 January 1.

31 (c) If any member or alternate member ceases to be an elected
32 official, that member shall cease to be a member of the county
33 transportation authority, and another member shall be appointed
34 for the remainder of the term by the constituent local government
35 that that member represents.

36 (d) An alternate may be designated for each regular member.
37 A regular member who, pursuant to the county transportation
38 expenditure plan, serves by virtue of holding a specified public
39 office, may designate a person to serve as his or her alternate. In
40 the case of any other regular member, the appointing constituent

1 local government may designate an alternate to the regular
2 appointed member. The alternate's term of office shall be the
3 same as that of the regular member. When the regular member is
4 not present at the meeting of the authority, the alternate may act
5 as the regular member and shall have all the rights, privileges,
6 and responsibilities of the regular member.

7 ~~SEC. 5. Section 131268 of the Public Utilities Code is~~
8 ~~amended to read:~~

9 ~~131268. Each member of a county transportation authority~~
10 ~~shall be compensated at the rate of _____ dollars(\$____) for each~~
11 ~~day attending the business of the authority, but not to exceed~~
12 ~~_____ dollars(\$____) in any month, and necessary traveling~~
13 ~~and personal expenses incurred in the performance of his or her~~
14 ~~duties as authorized by the county transportation authority.~~

15 ~~SEC. 6.~~

16 ~~SEC. 5. Section 131285 of the Public Utilities Code is~~
17 ~~amended to read:~~

18 ~~131285. Contracts for the purchase of supplies, equipment,~~
19 ~~and materials in excess of _____ seventy-five thousand~~
20 ~~dollars(\$____) (\$75,000) shall be awarded to the lowest~~
21 ~~responsible bidder after competitive bidding, except in an~~
22 ~~emergency declared by the vote of two-thirds of the voting~~
23 ~~membership of the county transportation authority.~~

|SENATE RULES COMMITTEE | SB 987
|Office of Senate Floor Analyses |
|1020 N Street, Suite 524 |
| (916) 445-6614 Fax: (916) |
327-4478

THIRD READING

Bill No: SB 987
Author: Migden (D)
Amended: 4/12/05
Vote: 21

SENATE TRANSPORTATION & HOUSING COMM. : 11-1, 4/19/05
AYES: Torlakson, Cedillo, Ducheny, Kehoe, Lowenthal,
Machado, Maldonado, Margett, Runner, Simitian, Soto
NOES: McClintock
NO VOTE RECORDED: Ashburn, Murray

SUBJECT : Bay Area: county transportation authorities
SOURCE : San Francisco County Transportation Authority

DIGEST : This bill authorizes any of the nine Bay Area counties to spend a portion of its local transportation sales tax revenues in another county if that use is provided in the adopted county transportation expenditure plan, and authorizes the membership of an authority to be specified in the county's tax ordinance.

ANALYSIS : SB 878 (Boatwright), Chapter 301, Statutes of 1986, enacted local transportation sales tax provisions known as the Bay Area County Traffic and Transportation Funding Act. The Act authorizes each of the nine counties in the Bay Area to impose a one-half or one percent sales tax for transportation purposes, subject to voter approval, and provides for the establishment of a county transportation authority in each county imposing a sales tax under these provisions. The law requires the development of a county transportation expenditure plan and specifies the powers and duties of a county board of supervisors and the county transportation authority in this regard. Existing law generally requires the proceeds of the tax to be expended in the county of origin, except that the County of San Mateo may spend a portion of its tax proceeds in another county if so provided in its county transportation expenditure plan.

Separate legislation, SB 142 (Deddeh), Chapter 786, Statutes of 1987, provided a generic process for individual counties statewide to implement local sales taxes of up to one percent for transportation purposes upon the adoption of a specified expenditure plan and approval of a ballot proposition by a majority of county voters. Such sales

taxes were limited to a maximum term of 20 years. Subsequent statewide ballot propositions and court decisions resulted in a determination and requirement that county transportation sales taxes subsequently must be approved by a two-thirds majority vote. Los Angeles County, which established its local transportation sales taxes (two one-half percent sales taxes, one percent total) under the terms of separate legislation, has no "sunset," or termination, date on its sales tax authority.

This bill revises the Bay Area County Traffic and Transportation Funding Act as follows:

1. Authorize any or all of the nine Bay Area counties, not just San Mateo as currently authorized, to expend its local transportation sales tax revenues outside the county of origin if so provided in the adopted county transportation expenditure plan.
2. Allow the membership of an authority to be specified in the sales tax ordinance as an alternative to the membership being specified in the county transportation expenditure plan.
3. Include a county transportation authority in the term "sponsoring agency" as a governmental agency with transportation responsibilities in a county with an approved transportation sales tax and that can sponsor projects included in the local expenditure plan.
4. Increase the dollar threshold for authority contracts for supplies, equipment, and materials to be competitively bid, from the current \$25,000 threshold to \$75,000.

Comments

In 2003, voters in San Francisco City and County approved Proposition K, a measure pertaining to the local transportation sales tax and the sales tax authority administering it. Proposition K (1) authorized implementation of a new expenditure plan for allocating transportation sales tax revenues over the next 30 years, (2) extended the duration of the existing one-half percent sales tax through that time period, (3) continued San Francisco County Transportation Authority (SFCTA) as the administering agency of the tax and project oversight agency, (4) authorized the issuance of bonds against the projected revenues, (5) prohibited using the sales tax revenues as a substitute for property tax revenues for existing programs, and (6) made related financial and technical changes.

Included in Proposition K was authorization to spend the sales tax funds outside the county, provided that there is a quantifiable benefit to San Francisco and that the proposed expense is matched by funding from the other county where the expenditure is proposed to be made. Current law, however, authorizes an out-of-county expenditure only for San Mateo County, not San Francisco or the other Bay Area counties.

The two out-of-county projects contemplated by the SFCTA

are related to Caltrain (Peninsula commuter rail service):
electrification of Caltrain and continued implementation of
express tracks in the corridor.

FISCAL EFFECT : Appropriation: No Fiscal Com.: No
Local: No

SUPPORT : (Verified 4/21/05)
San Francisco County Transportation Authority (source)

ARGUMENTS IN SUPPORT : The author's office and sponsor of
the bill indicate that this bill is intended to conform the
original enabling legislation on Bay Area sales tax
authorities (1986) with current practices and more recent
developments and actions by such agencies, especially the
SECTA.

JJA:mel 4/21/05 Senate Floor Analyses

SUPPORT/OPPOSITION: SEE ABOVE

**** END ****